PREMIUM BRANDS HOLDINGS CORPORATION REPORTS RECORD FOURTH QUARTER AND 2022 RESULTS AND A 10.0% DIVIDEND INCREASE

VANCOUVER, B.C., March 16, 2023. Premium Brands Holdings Corporation (TSX: PBH), a leading producer, marketer and distributor of branded specialty food products, announced today its results for the fourth quarter of 2022.

FOURTH QUARTER HIGHLIGHTS

- Record fourth quarter revenue of $1.63 billion representing a 21.5%, or $289.4 million, increase as compared to the fourth quarter of 2021
- Record fourth quarter adjusted EBITDA[1] of $136.4 million representing a 20.3%, or $23.0 million, increase as compared to the fourth quarter of 2021
- Fourth quarter adjusted EPS[1] of $1.19 per share, which was unchanged from the fourth quarter of 2021
- Subsequent to the quarter, dividend rate increased by 10.0% and a dividend of $0.77 per common share declared for the first quarter of 2023
- Purchased 167,086 common shares under a normal course issuer bid for $13.7 million representing an average per share cost of $81.68
- Initiated a three-phase project to build a 525,000 square foot state-of-the-art sandwich production facility in Cleveland, TN
- Released new five-year plan with revenue and adjusted EBITDA targets of $10.0 billion and $1.0 billion, respectively

2022 HIGHLIGHTS

- Record revenue of $6.0 billion representing a 22.3%, or $1.1 billion, increase as compared to 2021
- Record adjusted EBITDA[1] of $504.2 million representing a 17.1%, or $73.5 million, increase as compared to 2021
- Record adjusted EPS[1] of $4.82 per share representing a 7.6%, or $0.34 per share increase as compared to 2021

[1] *The Company reports its financial results in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Adjusted EBITDA and adjusted EPS are non-IFRS financial measures. Reconciliations and explanations for all non-IFRS measures are included in the Non-IFRS Financial Measures section of this press release.*

CONFERENCE CALL

The Company will hold a conference call to discuss its fourth quarter 2022 results today at 10:30 a.m. Vancouver time (1:30 p.m. Toronto time). An investor presentation that will be referenced on the conference call is available here or by navigating through the Company's website at www.premiumbrandsholdings.com.

Access to the call may be obtained by calling the operator at (416) 764-8646 or (888) 396-8049 (Conference ID: 11419492) up to ten minutes prior to the scheduled start time. For those who are unable to participate, a recording of the conference call will be available through to noon Toronto time on April 17, 2023 at (877) 674-7070 (passcode: 419492#). Alternatively, a recording of the conference call will be available at the Company's website at www.premiumbrandsholdings.com.

SUMMARY FINANCIAL INFORMATION

(In millions of dollars except per share amounts and ratios)

	14 weeks ended Dec 31, 2022	**13 weeks ended Dec 25, 2021**	**53 weeks ended Dec 31, 2022**	**52 weeks ended Dec 25, 2021**
Revenue	1,634.8	1,345.4	6,029.8	4,931.7
Adjusted EBITDA[1]	136.4	113.4	504.2	430.7
Earnings	30.9	38.0	160.1	132.7
EPS	0.69	0.87	3.59	3.05
Adjusted earnings[1]	52.9	52.2	215.0	194.8
Adjusted EPS[1]	1.19	1.19	4.82	4.48
Free cash flow[1]			285.8	263.3
Free cash flow per share			6.41	6.05
Declared dividends			125.3	111.5
Declared dividend per share			2.80	2.54
Payout ratio[1]			43.8%	42.3%

1 *Reconciliations for all non-IFRS measures are included in the Non-IFRS Financial Measures section of this press release*.

"Our record results for the fourth quarter, which is a seasonally slower quarter, once again demonstrates the strength and resiliency of our business model as we were able to achieve these during a period of unprecedented volatility," said Mr. George Paleologou, President and CEO. "Our performance is the direct result of our decentralized management structure and strong entrepreneurial focused culture, which on a combined basis empower our talented management teams to act decisively and effectively in dealing with challenges and capitalizing on opportunities.

"For 2022, we are very pleased to report our 18th consecutive year of record financial results. Furthermore, we achieved our five-year sales target one year ahead of plan and are well positioned to meet our five-year adjusted EBITDA target of $600 million this year," said Mr. Paleologou. "Looking forward, we continue to see tremendous opportunities to grow both our revenue and margins and have announced a new five-year plan which calls for us to deliver $10 billion in sales and $1 billion in adjusted EBITDA by 2027. With a full pipeline of opportunities, we expect acquisitions to continue to be a key growth driver for our business, however, these new targets are conservatively based primarily on organic initiatives given the significant opportunities our businesses are pursuing through product innovation, automation and capacity expansion," stated Mr. Paleologou.

FIRST QUARTER 2023 DIVIDEND

The Company also announced that its Board of Directors approved a cash dividend of $0.77 per share for the first quarter of 2023, which will be payable on April 14, 2023 to shareholders of record at the close of business on March 31, 2023.

Unless indicated otherwise in writing at or before the time the dividend is paid, each dividend paid by the Company in 2023 or a subsequent year is an eligible dividend for the purposes of the Enhanced Dividend Tax Credit System.

ABOUT PREMIUM BRANDS

Premium Brands owns a broad range of leading specialty food manufacturing and differentiated food distribution businesses with operations across Canada and the United States. For further information, please contact George Paleologou, President and CEO, or Will Kalutycz, CFO at (604) 656-3100.

www.premiumbrandsholdings.com

RESULTS OF OPERATIONS

The Company reports on two reportable segments, Specialty Foods and Premium Food Distribution, as well as non-segmented investment income and corporate costs (Corporate). The Specialty Foods segment consists of the Company's specialty food manufacturing businesses while the Premium Food Distribution segment consists of the Company's differentiated distribution and wholesale businesses as well as certain seafood processing businesses. Investment income includes interest and management fees generated from the Company's businesses that are accounted for using the equity method.

Revenue

(in millions of dollars except percentages)	14 weeks ended Dec 31, 2022	% (1)	13 weeks ended Dec 25, 2021	% (1)	53 weeks ended Dec 31, 2022	% (1)	52 weeks ended Dec 25, 2021	% (1)
Revenue by segment:								
Specialty Foods	1,018.7	62.3%	779.4	57.9%	3,731.3	61.9%	2,987.1	60.6%
Premium Food Distribution	616.1	37.7%	566.0	42.1%	2,298.5	38.1%	1,944.6	39.4%
Consolidated	1,634.8	100.0%	1,345.4	100.0%	6,029.8	100.0%	4,931.7	100.0%

(1) Expressed as a percentage of consolidated revenue.

Specialty Foods' (SF) revenue for the quarter increased by $239.3 million or 30.7% primarily due to: (i) selling price inflation of $81.3 million, which was driven by increases implemented in reaction to inflationary pressures across a broad range of costs; (ii) an extra week of operations resulting from the Company's 2022 fiscal year having 53 weeks versus 52 weeks in the 2021 fiscal year – this accounted for $47.6 million of SF's growth; (iii) business acquisitions, which accounted for $38.5 million of SF's growth; (iv) a $36.1 million increase in the translated value of sales generated by SF's U.S. based businesses due to a weaker Canadian dollar – approximately 55% of SF's revenue for the quarter was generated by these businesses; and (v) organic volume growth of $35.8 million representing an organic volume growth rate (OVGR) of 4.6%.

SF's OVGR, which was driven primarily by its artisan sandwich, cooked protein and specialty baked goods initiatives, was within its long-term targeted range of 4% to 6% but at the lower end due to: (i) generally reduced growth rates in the fourth quarter as a result of seasonal factors; (ii) lower sales of branded protein products in the retail channel associated with a shift in consumer spending to out-of-home dining; (iii) a shortage of turkey raw materials caused by industry wide supply challenges; and (iv) the impacts of price inflation which slowed growth rates in certain limited product categories.

SF's revenue for 2022 increased by $744.2 million or 24.9% primarily due to: (i) selling price inflation of $327.5 million; (ii) business acquisitions, which accounted for $231.0 million of the increase; (iii) organic volume growth of $72.3 million representing an OVGR of 2.4%; (iv) a $65.8 million increase in the translated value of sales generated by the Company's U.S. based businesses; and (v) the extra week of operations.

Premium Food Distribution's (PFD) revenue for the quarter increased by $50.1 million or 8.9% due to: (i) the extra week of operations – this accounted for $32.4 million of PFD's growth; (ii) organic volume growth of $25.0 million representing an OVGR of 4.4%; (iii) a $6.8 million increase in the translated value of sales generated by PFD's U.S. based businesses due to a weaker Canadian dollar; and (iv) business acquisitions, which accounted for $5.3 million of PFD's growth. These factors were partially offset by selling price deflation of $19.4 million, which was primarily due to lower lobster market prices as PFD continued to implement price increases on many of its other products in reaction to broad based cost inflation.

PFD's OVGR of 4.4%, which was driven by its value-added processed lobster initiatives and a reclass of warehousing rental income, was within its long-term targeted range of 4% to 6% but at the lower end due to: (i) generally reduced growth rates in the fourth quarter as a result of seasonal factors; and (ii) less business-to-business trading of live lobsters as PFD increased its inventory to support the future growth of its processed lobster initiatives. PFD also experienced strong growth in its sales to foodservice and cruise line customers post the lifting of pandemic related restrictions, however, this was largely offset by lower retail channel sales associated with a shift in consumer spending to out-of-home experiences.

PFD's revenue for 2022 increased by $353.9 million or 18.2% primarily due to: (i) business acquisitions, which accounted for $173.5 million of the increase; (ii) selling price inflation of $81.0 million; (iii) organic volume growth of $53.3 million representing an OVGR of 2.7%; (iv) the extra week of operations; and (v) a $13.7 million increase in the translated value of sales generated by the Company's U.S. based businesses.

Gross Profit

(in millions of dollars except percentages)	14 weeks ended Dec 31, 2022	% (1)	13 weeks ended Dec 25, 2021	% (1)	53 weeks ended Dec 31, 2022	% (1)	52 weeks ended Dec 25, 2021	% (1)
Gross profit by segment:								
Specialty Foods	209.4	20.6%	150.3	19.3%	757.3	20.3%	606.5	20.3%
Premium Food Distribution	96.6	15.7%	83.8	14.8%	346.4	15.1%	295.4	15.2%
Consolidated	306.0	18.7%	234.1	17.4%	1,103.7	18.3%	901.9	18.3%

(1) Expressed as a percentage of the corresponding segment's revenue.

SF's gross profit as a percentage of its revenue (gross margin) for the quarter increased by 130 basis points primarily due to: (i) steady progress in normalizing its margins as its selling price increases catch up to the impacts of cost inflation across a broad range of inputs including raw materials, labor and freight; (ii) production efficiencies resulting from investments in automation, continuous improvement projects and a more stable labor market; and (iii) sales leveraging associated with SF's organic volume growth. These factors were partially offset by: (i) retailer notice-period requirements which delayed the implementation of additional selling price increases being put through largely to address general cost inflation – adjusting for a full quarter's impact of price increases implemented during the quarter, SF's normalized gross margin is approximately 21.2%; (ii) the extra week of operations as this is a seasonally very low sales week resulting in reduced sales leveraging and lower production efficiencies; and (iii) recently acquired businesses that are undergoing significant restructurings and in the interim are generating lower margins relative to SF's average margin.

SF's gross margin for 2022, which is below its longer-term average, remained the same as 2021 primarily due to the factors outlined above, however, with cost inflation and the impact of recent acquisitions more than offsetting the pace of SF's selling price increase during the first three quarters of the year. Regarding retailer notice-period related delays, adjusting for a full year's impact, SF's normalized gross margin for 2022 is approximately 21.2%.

PFD's gross margin for the quarter increased by 90 basis points primarily due to sales leveraging associated with PFD's organic growth and the reclass of warehouse rental income.

PFD's gross margin for 2022 was relatively stable as compared to 2021 and in line with its longer-term average.

Selling, General and Administrative Expenses (SG&A)

(in millions of dollars except percentages)	14 weeks ended Dec 31, 2022	% (1)	13 weeks ended Dec 25, 2021	% (1)	53 weeks ended Dec 31, 2022	% (1)	52 weeks ended Dec 25, 2021	% (1)
SG&A by segment:								
Specialty Foods	126.9	12.5%	87.1	11.2%	445.0	11.9%	342.0	11.4%
Premium Food Distribution	51.7	8.4%	43.3	7.7%	191.2	8.3%	161.8	8.3%
Corporate	7.5		5.0		25.1		21.1	
Consolidated	186.1	11.4%	135.4	10.1%	661.3	11.0%	524.9	10.6%

(1) Expressed as a percentage of the corresponding segment's revenue.

SF's SG&A as a percentage of sales (SG&A ratio) for the quarter increased by 130 basis points primarily due to: (i) cost inflation; (ii) higher incentive-based compensation accruals; (iii) the extra week of operations; and (iv) business acquisitions. These factors were partially offset by sales leveraging associated with SF's organic sales growth.

SF's SG&A ratio for 2022 increased by 50 basis points primarily due to cost inflation and business acquisitions, partially offset by sales leveraging associated with SF's organic growth.

PFD's SG&A ratio for the quarter increased by 70 basis points primarily due to cost inflation and the extra week of operations, partially offset by sales leveraging associated with PFD's organic growth.

PFD's SG&A ratio for 2022 was relatively stable as compared to 2021 but lower than its longer-term average primarily due to sales leveraging associated with PFD's organic growth and lower incentive-based compensation accruals.

Adjusted EBITDA (1)

(in millions of dollars except percentages)	14 weeks ended Dec 31, 2022	% (2)	13 weeks ended Dec 25, 2021	% (2)	53 weeks ended Dec 31, 2022	% (2)	52 weeks ended Dec 25, 2021	% (2)
Adjusted EBITDA by segment:								
Specialty Foods	82.5	8.1%	63.2	8.1%	312.3	8.4%	264.5	8.9%
Premium Food Distribution	44.9	7.3%	40.5	7.2%	155.2	6.8%	133.6	6.9%
Corporate	(7.5)		(5.0)		(25.1)		(21.1)	
Interest Income from Investments	16.5		14.7		61.8		53.7	
Consolidated	136.4	8.3%	113.4	8.4%	504.2	8.4%	430.7	8.7%

(1) Adjusted EBITDA is a non-IFRS financial measure. Reconciliation and explanation is included in the Non-IFRS Financial Measures section of this press release
(2) Expressed as a percentage of the corresponding segment's revenue.

The Company's adjusted EBITDA margin for 2022 of 8.4% was below its long-term annual target of 10% primarily due to: (i) retailer notice-period requirements, which delayed the implementation of selling price increases being put through to address cost inflation – adjusting for the full impact of price increases implemented in 2022, the Company's normalized adjusted EBITDA margin is approximately 9.1%; (ii) sales challenges impacting its SF segment in the second and third quarters as the contribution margin associated with SF's incremental sales is significantly above 10%; and (iii) recently acquired businesses that are undergoing significant restructurings and in the interim are generating lower margins relative to the Company's 10% target.

Plant Start-up and Restructuring Costs

Plant start-up and restructuring costs consist of expenses associated with: (i) the start-up of new production capacity; (ii) the reconfiguration of existing capacity to gain efficiencies and/or additional capacity; and/or (iii) the restructuring of a business to improve its profitability. The Company expects (see *Forward Looking Statements*) these investments to result in improvements in its future earnings and cash flows.

During 2022, the Company incurred $27.2 million in plant start-up and restructuring costs relating primarily to the following projects:

- A 42,000 square foot expansion of its artisan bakery in British Columbia;
- Construction of a new 91,000 square foot artisan bakery in California;
- A 26,000 square foot expansion of one of its meat snack production facilities in Ontario;
- Installation of new cooking line and freezing technology at one of its cooked protein facilities in Quebec;
- The reconfiguration and 107,000 square foot expansion of one of its meat snack and cooked protein facility in Washington;
- Installation of fully automated sandwich production lines in its plants in Arizona and Nevada;
- A 42,600 square foot expansion of its sandwich production facility in Minnesota;
- Installation of new packaging technology at its sandwich production facility in Mississippi;
- The start-up of new sandwich programs at its production facilities in Quebec, Mississippi and Minnesota; and
- Installation of new freezing technology at its lobster processing facility in Maine.

Equity Earnings (Loss) in Investment in Associates

Equity earnings (loss) in investment in associates includes the Company's proportionate share of the earnings and losses of its investments in associates.

(in millions of dollars)	14 weeks ended Dec 31, 2022	13 weeks ended Dec 31, 2021	52 weeks ended Dec 31, 2022	52 weeks ended Dec 31, 2021
Clearwater:				
Revenue	192.5	141.7	604.5	532.9
Earnings before payments to shareholders	15.5	1.9	47.0	42.1
Net loss	(6.9)	(15.0)	(37.5)	(33.1)
The Company:				
Equity loss in Clearwater	(3.5)	(3.0)	(18.8)	(9.9)
Other net equity earnings	2.0	0.9	3.0	2.1
Equity loss in investment in associates	(1.5)	(2.1)	(15.8)	(7.8)

Clearwater Seafoods Incorporated (Clearwater)

Clearwater's sales for the fourth quarter and 2022 increased by $50.8 million and $71.6 million, respectively, primarily due to: (i) continued strong pricing and global demand for Clearwater's core harvested species; (ii) the timing of the sale of certain harvested species associated with general fluctuations in fishing activity; and (iii) an extra week of operations in the fourth quarter resulting from Clearwater matching its reporting periods with the Company's – this accounted for $6.9 million of Clearwater's growth.

Clearwater's earnings before payments to shareholders for the fourth quarter and 2022 increased by $13.6 million and $4.9 million, respectively, primarily due to: (i) a continued strong pricing environment for Clearwater's core harvested species; and (ii) higher sales volumes. These factors were partially offset by: (i) general cost inflation and, in particular, higher fleet fuel costs and wages; and (ii) discretionary promotional activity and travel returning to pre-pandemic levels.

Sales and Adjusted EBITDA Outlook

See *Forward Looking Statements* for a discussion of the risks and assumptions associated with forward looking statements.

<u>2023 Outlook</u>

(in millions of dollars)	Bottom of Range	Top of Range
Revenue guidance range	6,400	6,600
Adjusted EBITDA guidance range	590	610

For 2023, the Company expects its sales to be between $6.4 billion and $6.6 billion and its adjusted EBITDA to be between $590 million and $610 million. These estimates are based on a range of assumptions (see *Forward Looking Statements*) including: (i) reasonably stable economic environments in Canada and the U.S. with inflation rates in both countries continuing to moderate; (ii) stable raw material costs; and (iii) modest appreciation in the Canadian dollar relative to the U.S. dollar.

The Company's sales and adjusted EBITDA outlooks for 2023 do not incorporate any provisions for potential future acquisitions, however, it remains very active on this front and expects (see *Forward Looking Statements*) to complete several transactions during the year.

<u>5 Year Plan</u>

In 2018, the Company set the following five-year targets:

(in millions of dollars)	2018	5-Year Target (2023)
Revenue	3,026	6,000
Adjusted EBITDA	251	600

The Company achieved its five-year revenue target one year early with fiscal 2022 sales of just over $6.0 billion and is well positioned to meet its five-year adjusted EBITDA target in 2023 (see *Forward Looking Statements*). Based on this, the Company has set the following new five-year targets:

(in millions of dollars)	2022	5-Year Target (2027)
Revenue	6,030	10,000
Adjusted EBITDA	504	1,000

Premium Brands Holdings Corporation

Consolidated Balance Sheets
(in millions of Canadian dollars)

	December 31, 2022	December 25, 2021
Current assets:		
Cash and cash equivalents	11.4	16.5
Accounts receivable	590.8	521.7
Inventories	786.1	645.2
Prepaid expenses and other assets	38.0	28.6
	1,426.3	1,212.0
Capital assets	862.2	617.3
Right of use assets	576.0	464.5
Intangible assets	558.5	526.3
Goodwill	1,093.0	1,001.2
Investment in and advances to associates	538.9	568.8
Other assets	23.7	18.8
	5,078.6	4,408.9
Current liabilities:		
Cheques outstanding	19.3	18.7
Bank indebtedness	18.0	16.3
Dividends payable	31.3	28.4
Accounts payable and accrued liabilities	419.4	445.5
Current portion of puttable interest in subsidiaries	23.1	27.1
Current portion of long-term debt	6.5	4.6
Current portion of lease obligations	45.4	32.9
Current portion of provisions	1.8	7.7
	564.8	581.2
Long-term debt	1,421.4	1,074.0
Lease obligations	589.3	477.4
Puttable interest in subsidiaries	43.9	-
Deferred revenue	2.8	2.8
Provisions	44.2	63.4
Deferred income taxes	120.6	105.2
	2,787.0	2,304.0
Convertible unsecured subordinated debentures	478.6	331.0
Equity attributable to shareholders:		
Retained earnings	63.8	35.6
Share capital	1,702.6	1,713.3
Reserves	46.6	25.0
	1,813.0	1,773.9
	5,078.6	4,408.9

Premium Brands Holdings Corporation

Consolidated Statements of Operations

(in millions of Canadian dollars except per share amounts)

	14 weeks ended December 31, 2022	13 weeks ended December 25, 2021	53 weeks ended December 31, 2022	52 weeks ended December 25, 2021
Revenue	1,634.8	1,345.4	6,029.8	4,931.7
Cost of goods sold	1,328.8	1,111.3	4,926.1	4,029.8
Gross profit before depreciation, amortization and plant start-up and restructuring costs	306.0	234.1	1,103.7	901.9
Interest income from investment in associates	16.5	14.7	61.8	53.7
Selling, general and administrative expenses	186.1	135.4	661.3	524.9
Operating profit before depreciation, amortization and plant start-up and restructuring costs	136.4	113.4	504.2	430.7
Plant start-up and restructuring costs	13.2	1.1	27.2	2.1
Depreciation of capital assets	22.0	16.8	79.5	70.0
Amortization of intangible assets	5.8	7.1	28.8	27.3
Amortization of right of use assets	18.4	10.7	52.0	37.5
Accretion of lease obligations	8.2	5.3	24.5	19.2
Interest and other financing costs	31.7	8.3	81.4	41.3
Change in fair value of option liabilities	-	3.1	-	30.0
Acquisition transaction costs	1.2	1.9	6.2	7.7
Change in value of puttable interest in subsidiaries	5.5	-	5.5	0.5
Accretion of provisions	0.5	1.9	6.8	7.3
Remeasurement of provisions	(21.8)	-	(21.8)	-
Equity loss in investments in associates	1.5	2.1	15.8	7.8
Change in value of investments in associates	16.0	-	16.0	-
Fair value gains on investments in associates	(0.1)	-	(19.9)	-
Others	0.7	-	0.7	-
Clearwater closing risk fee	-	-	-	(2.4)
Acquisition bargain purchase gain	-	-	-	(1.8)
Earnings before income taxes	33.6	55.1	201.5	184.2
Provision for income taxes (recovery)				
Current	(1.7)	11.2	36.4	66.3
Deferred	4.4	5.9	5.0	(14.8)
	2.7	17.1	41.4	51.5
Earnings	30.9	38.0	160.1	132.7
Earnings per share:				
Basic	0.69	0.87	3.59	3.05
Diluted	0.69	0.87	3.57	3.04
Weighted average shares outstanding (in millions):				
Basic	44.6	43.7	44.6	43.5
Diluted	44.8	43.9	44.8	43.7

Premium Brands Holdings Corporation

Consolidated Statements of Cash Flows

(in millions of Canadian dollars)

	14 weeks ended December 31, 2022	13 weeks ended December 25, 2021	53 weeks ended December 31, 2022	52 weeks ended December 25, 2021
Cash flows from (used in) operating activities:				
Earnings	30.9	38.0	160.1	132.7
Items not involving cash:				
Depreciation of capital assets	22.0	16.8	79.5	70.0
Amortization of intangible assets	5.8	7.1	28.8	27.3
Amortization of right of use assets	18.4	10.7	52.0	37.5
Accretion of lease obligations	8.2	5.3	24.5	19.2
Change in fair value of option liabilities	-	3.1	-	30.0
Change in value of puttable interest in subsidiaries	5.5	-	5.5	0.5
Accretion of provisions	0.5	1.9	6.8	7.3
Remeasurement of provisions	(21.8)	-	(21.8)	-
Equity loss in investment in associates	1.5	2.1	15.8	7.8
Change in value of investments in associates	16.0	-	16.0	-
Fair value gains on investments in associates	(0.1)	-	(19.9)	-
Non-cash financing costs	2.1	0.1	6.8	4.4
Deferred income taxes (recovery)	4.4	5.9	5.0	(14.8)
Others	0.7	-	0.7	-
Acquisition bargain purchase gain	-	-	-	(1.8)
	94.1	91.0	359.8	320.1
Change in non-cash working capital	40.1	(112.1)	(263.3)	(253.8)
	134.2	(21.1)	96.5	66.3
Cash flows from (used in) financing activities:				
Long-term debt, net	(40.1)	263.0	297.1	546.8
Payments for lease obligations	(21.4)	(13.4)	(64.2)	(50.4)
Bank indebtedness and cheques outstanding	1.9	13.4	2.3	15.9
Dividends paid to shareholders	(31.3)	(27.6)	(122.5)	(108.2)
Repayment of convertible debentures	-	(8.0)	-	(8.0)
Proceeds from issuance of convertible debentures – net of issuance costs	-	-	143.0	-
Common shares purchased for cancellation	(13.7)	-	(13.7)	-
	(104.6)	227.4	242.0	396.1
Cash flows from (used in) investing activities:				
Capital asset additions	(73.7)	(43.2)	(228.4)	(143.2)
Business and asset acquisitions	(2.4)	(174.6)	(122.9)	(359.7)
Payment of provisions	(3.0)	-	(14.5)	(14.7)
Payments to shareholders of non-wholly owned subsidiaries	-	-	(0.6)	(0.6)
Payment for settlement of puttable interest of non-wholly owned subsidiary	(1.0)	-	(1.7)	(0.9)
Net change in share purchase loans and notes receivable	(2.6)	0.5	(5.4)	1.2
Investment in and advances to associates – net of distributions	26.2	2.6	29.9	(441.0)
Proceeds from sale-leaseback	-	-	-	150.0
	(56.5)	(214.7)	(343.6)	(808.9)
Change in cash and cash equivalents	(26.9)	(8.4)	(5.1)	(346.5)
Cash and cash equivalents – beginning of period	38.3	24.9	16.5	363.0
Cash and cash equivalents – end of period	11.4	16.5	11.4	16.5

NON-IFRS FINANCIAL MEASURES

The Company uses certain non-IFRS financial measures including adjusted EBITDA, free cash flow, adjusted earnings and adjusted earnings per share, which are not defined under IFRS and, as a result, may not be comparable to similarly titled measures presented by other publicly traded entities, nor should they be construed as an alternative to other earnings measures determined in accordance with IFRS. These non-IFRS measures are calculated as follows:

Adjusted EBITDA

(in millions of dollars)	14 weeks ended Dec 31, 2022	13 weeks ended Dec 25, 2021	53 weeks ended Dec 31, 2022	52 weeks ended Dec 25, 2021
Earnings before income taxes	33.6	55.1	201.5	184.2
Plant start-up and restructuring costs	13.2	1.1	27.2	2.1
Depreciation of capital assets	22.0	16.8	79.5	70.0
Amortization of intangible assets	5.8	7.1	28.8	27.3
Amortization of right of use assets	18.4	10.7	52.0	37.5
Accretion of lease obligations	8.2	5.3	24.5	19.2
Interest and other financing costs	31.7	8.3	81.4	41.3
Change in fair value of option liabilities	-	3.1	-	30.0
Business acquisition transaction costs	1.2	1.9	6.2	7.7
Change in value of puttable interest in subsidiaries	5.5	-	5.5	0.5
Accretion of provisions	0.5	1.9	6.8	7.3
Remeasurement of provisions	(21.8)	-	(21.8)	-
Equity loss in investments in associates	1.5	2.1	15.8	7.8
Change in value of investments in associates	16.0	-	16.0	-
Fair value gains on investments in associates	(0.1)	-	(19.9)	-
Others	0.7	-	0.7	-
Clearwater closing risk fee	-	-	-	(2.4)
Acquisition bargain purchase gain	-	-	-	(1.8)
Adjusted EBITDA	136.4	113.4	504.2	430.7

Free Cash Flow

(in millions of dollars)	53 weeks ended Dec 31, 2022	52 weeks ended Dec 25, 2021
Cash flow from operating activities	96.5	66.3
Changes in non-cash working capital	263.3	253.8
Lease obligation payments	(64.2)	(50.4)
Business acquisition transaction costs	6.2	7.7
Clearwater closing risk fee	-	(2.4)
Plant start-up and restructuring costs	27.2	2.1
Income taxes on sale and leaseback transaction	-	15.5
Maintenance capital expenditures	(43.2)	(29.3)
Free cash flow	285.8	263.3

Adjusted Earnings and Adjusted Earnings per Share

(in millions of dollars except per share amounts)	14 weeks ended Dec 31, 2022	13 weeks ended Dec 25, 2021	53 weeks ended Dec 31, 2022	52 weeks ended Dec 25, 2021
Earnings	30.9	38.0	160.1	132.7
Plant start-up and restructuring costs	13.2	1.1	27.2	2.1
Amortization of intangibles associated	5.8	7.1	28.8	27.3
Change in fair value of option liabilities	-	3.1	-	30.0
Business acquisition transaction costs	1.2	1.9	6.2	7.7
Change in value of puttable interest in subsidiaries	5.5	-	5.5	0.5
Accretion of provisions	0.5	1.9	6.8	7.3
Remeasurement of provisions	(21.8)	-	(21.8)	-
Equity loss from associates in start-up	1.5	2.1	15.8	7.8
Change in value of investments in associates	16.0	-	16.0	-
Fair value gains on investments in associates	(0.1)	-	(19.9)	-
Others	0.7	-	0.7	-
Clearwater closing risk fee	-	-	-	(2.4)
Acquisition bargain purchase gain	-	-	-	(1.8)
	53.4	55.2	225.4	211.2
Current and deferred income tax effect of above items, and unusual tax recovery	(0.5)	(3.0)	(10.4)	(16.4)
Adjusted earnings	52.9	52.2	215.0	194.8
Weighted average shares outstanding	44.6	43.7	44.6	43.5
Adjusted earnings per share	1.19	1.19	4.82	4.48

FORWARD LOOKING STATEMENTS

This press release contains forward looking statements with respect to the Company, including, without limitation, statements regarding its business operations, strategy and financial performance and condition, cash distributions, proposed acquisitions, budgets, projected costs and plans and objectives of or involving the Company. While management believes that the expectations reflected in such forward looking statements are reasonable and represent the Company's internal expectations and belief as of March 16, 2023, there can be no assurance that such expectations will prove to be correct as such forward looking statements involve unknown risks and uncertainties beyond the Company's control which may cause its actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward looking statements.

Forward looking statements generally can be identified by the use of the words "may", "could", "should", "would", "will", "expect", "intend", "plan", "estimate", "project", "anticipate", "believe" or "continue", or the negative thereof or similar variations. Forward looking statements in this press release include statements with respect to the Company's expectations and/or projections on its: (i) revenue; (ii) adjusted EBITDA; (iii) plant start-up and restructuring costs; (iv) income tax rates; (v) dividends and dividend policy; (vi) capital expenditures and business acquisitions; (vii) convertible debentures; (viii) net working capital; (ix) liquidity outlook; (x) provisions; (xi) 5 year plan; (xii) financial leverage ratios; and (xiii) value of puttable interests.

Some of the factors that could cause actual results to differ materially from the Company's expectations are outlined in the *Risks and Uncertainties* section in the Company's MD&A for the 14 and 53 Weeks Ended December 31, 2022.

Assumptions used by the Company to develop forward looking statements contained or incorporated by reference in this press release are based on information currently available to it and include those outlined below as well as those outlined elsewhere in this document. Readers are cautioned that this information is not exhaustive.

- Economic conditions in Canada and the United States will remain relatively stable.
- The average cost of the basket of procured products and raw materials purchased by the Company will remain relatively stable.
- Global supply chains will continue to normalize enabling the Company to access sufficient goods and services for its manufacturing and distribution operations.
- Labor availability will continue to improve in Canada and the U.S, enabling the Company to access sufficient skilled and unskilled labor at reasonable wage levels.
- The value of the Canadian dollar relative to the U.S. dollar will continue to fluctuate in line with the levels seen over the last several months.
- The Company's major capital projects, plant start-up and restructuring, and business acquisition initiatives will progress in line with its expectations.
- The Company will be able to achieve its projected operating efficiency improvements.
- There will not be any material changes in the competitive environment of the markets in which the Company's various businesses compete.
- There will not be any material changes in the long-term food trends that have been driving growth in many of the Company's businesses. These include: (i) growing demand for higher quality foods made with simpler more wholesome ingredients and/or with differentiating attributes such as antibiotic free, no added hormones or use of organic ingredients; (ii) increased reliance on convenience oriented foods both for on-the-go snacking as well as easy home meal preparation; (iii) healthier eating including reduced sugar consumption and increased emphasis on protein and seafood; (iv) increased snacking in between and in place of meals; (v) increased interest in understanding the background and stories behind food products being consumed; and (vi) increased social awareness on issues such as sustainability, sourcing products locally, animal welfare and food waste.

- Weather conditions in the Company's core markets will not have a significant impact on any of its businesses.
- There will not be any material changes in the Company's relationships with its larger customers including the loss of a major product listing and/or being forced to give significant product pricing concessions.
- There will not be any material changes in the trade relationship between Canada and the U.S., particularly with respect to certain protein commodities such as beef, pork and chicken.
- The Company will be able to negotiate new collective agreements with no labor disruptions.
- The Company will be able to access reasonably priced debt and equity capital.
- Contractual counterparties will continue to fulfill their obligations to the Company.
- There will be no material changes to the tax and other regulatory requirements governing the Company.

Management has set out the above summary of assumptions related to forward looking statements included in this press release to provide a more complete perspective on the Company's future operations. Readers are cautioned that these statements may not be appropriate for other purposes.

Unless otherwise indicated, the forward-looking statements in this press release are made as of March 16, 2023 and, except as required by applicable law, will not be publicly updated or revised. This cautionary statement expressly qualifies the forward-looking statements in this press release.